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UNITED STATES CIVIL SERVICE COMMISSION
BUREAU OF RETIREMENT AND INSURANCE
WASHINGTON 25, D.C.

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February 26, 1964

Government Employees Health Assn., Inc.
Post Office Box 463
Washington, D.C. 20044

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Please find enclosed copy of Health Benefits Officer Information
Bulletin No. 8.

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Most sincerely,

Thomas G. Walters
Thomas G. Walters
Assistant to the Chief
Contracts and Instructions Division

Enclosure

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UNITED STATES CIVIL SERVICE COMMISSION
BUREAU OF RETIREMENT AND INSURANCE
WASHINGTON 25, D.C.

YOUR REFERENCE

February 24, 1964

HEALTH BENEFITS OFFICER INFORMATION BULLETIN NO. 8

The following items are furnished for your information and appropriate action. Please see that the information in this Bulletin is passed along to employing and payroll offices in your agency. If additional copies of this Bulletin are needed, call Code 183, Extension 6384.

1. Health Benefits Notations on SF 2806. Information regarding health benefits is required to be entered on SF 2806 (or equivalent form if employee is under another retirement system) in all retirement and death cases. In disability retirement cases, both the preliminary and final SF 2806 should bear this health benefits information. Some offices fail to put this information on the SF 2806, especially on the preliminary 2806. This omission results in correspondence and delay and leaves the retiring employee or survivor annuitant in doubt as to his health benefits coverage. Instructions as to proper notations to be made in each type of case appear in Sections S14-3 and S16-3 of FPM Supplement 890-1.
2. Transferring enrollment in retirement and death cases. Sub-chapters S14 and S16 of FPM Supplement 890-1 state the requirements for continuing enrollment in retirement and death cases. Employing offices should not automatically transfer enrollments to the retirement system when employees retire or die. Each case should be reviewed before any health benefits action is taken. If the employing office is certain that the retiring employee (or the survivor in death cases) is not eligible to continue enrollment, it should terminate the enrollment. If the employing office is in doubt as to whether or not enrollment may be continued, it should transfer the enrollment to the retirement system. In death cases, if it is apparent that enrollment may continue, the employing office should transfer without change the enrollment that was in effect when the employee died; if a change from family to self only is appropriate, the retirement system will make the change.

3. Coverage of employees whose spouses die while enrolled for self and family. We recently had several cases in which the wife was a Federal employee, and the husband was either an employee or a retired employee and was enrolled for self and family. At the time of the husband's death, the wife became a survivor annuitant and her health benefits coverage automatically continued as provided by the law. However, the wife enrolled as an employee on the basis of a change in marital status and as a result, was covered under two enrollments at the same time.

When this occurs, the retirement system must find out which enrollment the widow wishes to remain in effect (generally it is to her advantage to remain enrolled as a survivor annuitant), and her employing agency must refund the health benefits withholdings for the period of dual enrollment. These situations generally could be avoided if agency employing offices would determine whether or not recently-widowed employees who wish to enroll are already covered as survivor annuitants, and if so, coordinate any health benefits actions taken with the retirement system so as to avoid periods of dual enrollment. (See also Section S16-4 of FPM Supplement 890-1)

4. Informing employees about the health benefits program. As mentioned in Bulletin No. 6, we are from time to time including in these Bulletins information which Health Benefits Officers should relay to employees through an agency or installation publication.

Employees should be reminded periodically that they will not be notified by their employing office when a family member loses health benefits coverage and of that member's right to convert as for example when a child reaches age 19. When a family member loses coverage, it is the responsibility of the employee or the family member to apply for a conversion policy if he wants one. Some employees wait to be notified when a family member loses coverage while the time in which to apply for conversion expires. It is well to remind employees that such notification will not be given by the employing office.

5. Reproduction of SF 2809 and SF 2810 prohibited. The use of Standard Form 2809 and 2810 in processing health benefits actions is mandatory for all agencies. Under no circumstances should agencies reproduce these forms. The carrier's control numbers which are printed on Standard Forms 2809 serve as identification numbers and are used

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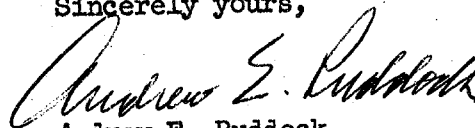
by the carriers for control purposes. Reproduction of this form by agencies using their own numbers causes a duplication of identification numbers and could become a serious problem to the carriers in identifying their enrollees.

6. Resume' of S.1561. S.1561, which has passed the Senate and is now pending before the House of Representatives, would make some significant changes in the Federal Employees Health Benefits Act. The changes which would be of greatest importance to agencies are summarized below. Briefly, the bill would:
- a. Permit coverage of certain foster children in family enrollments;
 - b. Continue coverage of children to age 21 instead of age 19;
 - c. Permit an enrolled employee to continue enrollment after retirement or while receiving compensation even if he has not been enrolled since his first opportunity or for the 5 years before retirement;
 - d. Permit an enrolled employee to continue enrollment while receiving BEC compensation regardless of when his injury or illness was sustained or contracted;
 - e. Permit an employee ordered restored to duty after removal or suspension, to elect either to have his previous enrollment reinstated retroactively, or to enroll prospectively the same as a new employee; and
 - f. Eliminate the lower Government contribution for employees in self and family--female with nondependent husband enrollments.

All these provisions would become effective on the date of enactment of the bill (not retroactively), except that the elimination of the lower Government contribution for female employees would become effective about 90 days after enactment.

Please bear in mind that these amendments still are only proposals, and NO ACTION REGARDING THEM SHOULD BE TAKEN AT THIS TIME. We will notify all departments and agencies if and when S.1561 is enacted and what action they must take as a result of its enactment.

Sincerely yours,


Andrew E. Ruddock
Director